



**TESTIMONY OF
TRINITY HEALTH-NEW ENGLAND
SUBMITTED TO THE
INSURANCE AND REAL ESTATE COMMITTEE
JOSEPH CONNOLLY
REGIONAL VICE PRESIDENT
MARKETING, COMMUNICATIONS
& CONNECTICUT GOVERNMENT RELATIONS
TUESDAY, FEBRUARY 7, 2017**

**PROPOSED SB 23, An Act Requiring Site-Neutral Payments for Health Care
Services**

Trinity Health-New England appreciates this opportunity to submit testimony concerning **Proposed SB 23, An Act Requiring Site-Neutral Payments for Health Care Services**. Trinity Health-New England opposes SB 23.

Trinity Health-New England (TH-NE) is a regional health ministry which includes Saint Francis Hospital and Medical Center, Inc. and Mount Sinai Rehabilitation Hospital, Inc., in Hartford, Saint Mary's Hospital, Inc. in Waterbury, Johnson Memorial Hospital, Inc., in Stafford Springs and Mercy Hospital in Springfield, Massachusetts. Our ministry also includes physician practices, a behavioral health hospital in Massachusetts, home health and various post-acute care services. We are more than 13,000 health care providers committed to providing compassionate care and improving the health of our community. We are also part of Trinity Health, a nationwide ministry with more than 90 hospitals, making us one of the largest health care ministries in the United States.

SB 23 would require payments for the provision of healthcare services by health insurers to healthcare providers to be site-neutral.

Similar to last year's proposed legislation, this bill does not recognize the complex funding and regulatory schemes under which hospitals operate.

As you know, hospitals provide 24/7 access to care for all types of patients, serve as a safety net provider for vulnerable populations, and have the resources needed to respond to all kinds of disasters. These roles are not funded explicitly; instead, they are built into a hospital's overall cost structure and supported by revenues received from providing direct patient care.

Programs like Medicare have set forth specific criteria to determine when a service is hospital-based and when it is simply a physician office service. When a provided service meets the tests to be hospital based, the service is entitled to a higher level of Medicare funding.

SB 23 would increase the cost of healthcare by requiring health insurers to pay non-hospital based providers the hospital rate but not require them to comply with all the hospital standards. i.e., licensing, accreditation, and regulatory standards.

SB 23 would also result in decreased reimbursement at a time when Connecticut hospitals currently pay \$556 million in taxes and are only appropriated \$118 million – a budgeted deficit of \$438 million per year. Hospitals have made difficult choices to account for the resources lost due to government underfunding of the Medicaid program, the hospital tax, and other cuts. Over the last few years, 3,000 jobs were eliminated, services were reduced and investments in technology and infrastructure put on hold. Please do not inflict further fiscal damage on our local hospitals. .

Thank you for your consideration of our position.